

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

TRAVELERS CASUALTY
INSURANCE COMPANY OF
AMERICA,

Plaintiff,

v.

LMID, INC. et al.,

Defendants.

Case No. 2:24-cv-01022-SB-JC

ORDER TO SHOW CAUSE RE
SUBJECT-MATTER
JURISDICTION

Plaintiff Travelers Casualty Insurance Company of America brings this insurance-dispute action against Defendants LMID, Inc., 1536 Blue Jay Way, LLC, and Michael Herman. Dkt. No. 1.

Federal courts have subject-matter jurisdiction only over matters authorized by the U.S. Constitution and Congress. *See e.g., Kokkonen v. Guardian Life Ins. Co.*, 511 U.S. 375, 377 (1994). This Court has a duty to assess whether federal subject-matter jurisdiction exists and may consider the issue sua sponte at any stage of the proceedings. *See Allstate Ins. Co. v. Hughes*, 358 F.3d 1089, 1093 (9th Cir. 2004); *see also Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999) (recognizing that “Article III generally requires a federal court to satisfy itself of its jurisdiction over the subject matter before it considers the merits of a case”).

A federal district court has original jurisdiction over a civil action when there is complete diversity of citizenship between the parties and the amount in controversy exceeds \$75,000. 28 U.S.C. § 1332(a). Complete diversity means that each of the plaintiffs must be a citizen of a different state than each of the defendants. *Caterpillar Inc. v. Lewis*, 519 U.S. 61, 68 (1996).

Plaintiff states in the complaint that it is a citizen of Connecticut because it is incorporated and has its principal place of business there. Plaintiff alleges that Defendant 1536 Blue Jay Way is a California limited liability company. Plaintiff alleges that Defendant LMID is a California corporation, but the civil cover sheet indicates that LMID is a limited liability company. The citizenship of a limited liability company is determined by the citizenship of each of its members. *Johnson v. Columbia Props. Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006). Plaintiff has failed to allege the citizenship of the members of Defendants 1536 Blue Jay Way and LMID (assuming LMID is a limited liability company).

Plaintiff must show that diversity is complete as to all Defendants, including 1536 Blue Jay Way and LMID by disclosing the citizenship of their members. Accordingly, Plaintiff is ORDERED to show cause, in writing, by no later than February 16, 2024, why the Court has jurisdiction over this case by demonstrating complete diversity of citizenship between the parties. In its response, Plaintiff shall also state clearly whether LMID is a corporation or limited liability company. *Failure to timely comply will result in dismissal for lack of subject-matter jurisdiction.*

Date: February 8, 2024



Stanley Blumenfeld, Jr.
United States District Judge